



Teachers' Retirement System of the State of Illinois

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News

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TRS SELECTS FIRM TO MANAGE INVESTMENTS IN EMERGING INTERNATIONAL MARKETS

SPRINGFIELD, IL – Teachers' Retirement System today selected **AQR Capital Management, of Greenwich, Connecticut**, to manage equity investments in emerging international markets for the System.

AQR is expected to manage \$520 million in TRS assets within the emerging international markets strategy of the System's \$8.3 billion International Equity portfolio. The firm already administers a combined \$1.14 billion in TRS assets in the \$6.4 billion Fixed Income and \$3.8 billion Real Return portfolios.

In other action during the Board of Trustees' regularly scheduled June meeting the trustees:

- Selected **Principal Real Estate Investors of Des Moines, Iowa**, to oversee approximately \$200 million in new investments in industrial properties within the System's \$4.6 billion Real Estate portfolio.
- Selected **Northern Trust Global Investments of Chicago** and **Russell Investments of Seattle, Washington** to help administer transition services for TRS. The two firms join three existing transition managers in a bullpen of firms available for use as needed. The three other firms are **State Street Global Markets of Boston, Massachusetts**, **Citigroup of New York, New York** and **Loop Capital Markets of Chicago**. The two new firms replace institutions which recently closed their transition management business units. Transition managers assist large investors in the buying and selling of investment portfolios within particular strategies. The Northern Trust also administers \$1.995 billion in TRS assets within the International Equity portfolio.

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- Committed \$150 million to **Magnetar Financial of Evanston, Illinois**, from the \$2.04 billion Absolute Return portfolio.
- Committed \$50 million to **Carlson Capital Management of Dallas, Texas**, from the Absolute Return portfolio for investments as part of the company's Black Diamond Thematic strategy. Carlson already administers \$139.5 million for TRS.
- Approved a change to the TRS Watch List:
 - Termination of **Grantham, Mayo, Van Otterloo and Company of Boston Massachusetts**, which managed \$522 million in TRS assets within the International Equity portfolio.
- As approved by the TRS Board, the current Watch List is composed of:
 - The \$322 million domestic equity small-to-mid-cap growth strategy administered by **The Boston Company Asset Management of Boston, Massachusetts**.
 - **Franklin Templeton Fixed Income Group of San Mateo, California**, which manages \$442 million in TRS assets within the Fixed Income portfolio.
 - **Jarislowsky Fraser, Ltd., of Montreal, Quebec, Canada**, which manages \$437 million in the International Equity portfolio.
 - **Levin Capital Management of New York, New York**, which manages \$446 million in the Domestic Equity portfolio.

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About Teachers' Retirement System

The Teachers' Retirement System of the State of Illinois is the 39th largest pension system in the United States, and provides retirement, disability and survivor benefits to teachers, administrators and other public school personnel employed outside of Chicago. The System serves 366,000 members and had assets of \$39.6 billion as of March 31, 2013.